



Welcome to our fourth Snapshot of 2026. In this month's offering we will take a look at:

The FinTech Market

Predictions for the Second Half of 2026 and the Hiring perspective

As we move into the second half of 2026, the financial technology and banking technology market feels neither exuberant nor subdued.

It sits somewhere in the middle.

Investment is still flowing. Budgets are still being approved. Strategic technology programmes remain active.

But you can feel a clear shift in the market.

Buyers are asking tougher questions. Procurement cycles are longer. Technology vendors are under increasing pressure to prove measurable business outcomes.

The era of buying technology simply because it sounds innovative has largely passed. Financial institutions now want solutions that improve efficiency, strengthen compliance, reduce operational risk, lower costs, enhance customer experience or create a clear competitive advantage.

The second half of 2026 is likely to be shaped by six interconnected themes: operational efficiency, regulatory technology, AI adoption, modernisation, data intelligence and profitability.

For technology providers, this means value propositions need to be sharper than ever. For banks and financial institutions, technology investment will remain a strategic priority. For professionals operating within the sector, demand will increasingly favour those who can connect technology innovation with commercial impact.

If you are operating in this market, the message is becoming very clear: good technology is not enough. It has to solve a real problem.

1. AI will move from experimentation to practical implementation

Artificial intelligence has dominated conversations across financial services for the past two years. The second half of 2026 is likely to be the period where organisations focus less on discussing AI and more on deploying it.

Banks, lenders, insurers and financial institutions are moving beyond pilot programmes and proof-of-concepts. The focus is increasingly on practical applications that improve productivity, automate repetitive tasks, strengthen risk management and enhance customer service

The question is no longer whether AI will be adopted.

The question is where it can deliver measurable value.

Financial institutions will be looking closely at areas such as fraud detection, customer onboarding, credit assessment, regulatory reporting, document processing and customer support automation.

Market perspective

FinTech providers that can demonstrate tangible AI-driven outcomes will gain traction.

Generic AI messaging will become less effective. Buyers will increasingly expect evidence of improved efficiency, reduced costs, enhanced accuracy or stronger customer outcomes.

If you are selling into this space, vague claims about innovation are unlikely to be enough. The strongest conversations will be built around proof, performance and practical value.

2. Payments infrastructure will remain a major investment priority

While AI continues to dominate industry conversations, payments technology remains one of the most strategically important areas of investment across financial services.

Banks, payment providers and financial institutions are under increasing pressure to deliver faster, more transparent and more cost-effective payment experiences, while also strengthening fraud prevention, operational resilience and regulatory compliance.

As a result, investment in real-time payments, account-to-account infrastructure, payment orchestration, ISO 20022 readiness, open banking capabilities and cross-border payment solutions is expected to remain strong throughout the second half of 2026.

The continued evolution of domestic payment schemes, combined with growing demand for seamless international transactions, is creating significant opportunities for technology providers that can help financial institutions modernise payment infrastructure without introducing unnecessary complexity.

For many organisations, payments are no longer viewed simply as operational plumbing.

They are increasingly seen as a strategic differentiator.

Better payments infrastructure can improve customer experience, reduce costs, create new revenue opportunities and strengthen competitive positioning.

The market is also becoming more focused on efficiency. Financial institutions are looking for ways to optimise payment routing, improve liquidity management, reduce settlement friction and gain greater visibility across payment flows.

Market perspective

Providers operating across real-time payments, payment processing, payment orchestration, open banking infrastructure, fraud prevention, payment intelligence and cross-border payments should continue to see healthy demand.

Buyers will increasingly prioritise solutions that deliver tangible business outcomes rather than simply adding another layer of technology.

If your solution helps clients move money faster, reduce risk, improve transparency or lower operational cost, there should still be a receptive market.

3. Compliance and RegTech will remain a strategic priority

Regulation continues to evolve, and financial institutions face increasing pressure to maintain compliance while controlling operational costs.

As regulatory expectations become more complex, many organisations are recognising that manual processes are no longer sustainable.

Technology solutions that simplify compliance, automate reporting, strengthen governance and improve audit readiness will remain highly attractive.

This is particularly relevant across areas such as anti-money laundering, know-your-customer, transaction monitoring, operational resilience, cyber security and ESG reporting.

Compliance is no longer viewed solely as a defensive function. Increasingly, it is becoming an area where technology can create efficiency and competitive advantage.

That is an important shift.

If you can help an institution reduce manual workload, improve accuracy, strengthen oversight or respond more quickly to regulatory change, you are not just selling compliance support. You are helping them become more resilient.

Market perspective

RegTech providers offering automation, real-time monitoring, workflow optimisation and data transparency should continue to see strong demand.

Institutions will favour solutions that reduce complexity rather than add to it.

The challenge for vendors will be to make the value clear. Buyers do not want another platform that creates more work. They want technology that simplifies the job.

4. Core banking modernisation will continue, but with greater caution

Many financial institutions recognise that legacy infrastructure remains one of the biggest barriers to agility and innovation.

However, large-scale transformation programmes remain expensive, complex and potentially disruptive.

As a result, modernisation efforts are increasingly becoming more phased and pragmatic.

Rather than pursuing wholesale replacement projects, many banks are adopting incremental approaches that allow them to modernise capabilities while reducing implementation risk.

Cloud adoption, API-driven architecture, embedded services and modular platforms will continue to gain momentum as institutions seek greater flexibility.

But buyers are likely to remain careful.

They know modernisation is necessary. They also know that failed transformation projects are costly, disruptive and difficult to explain internally.

Market perspective

Technology providers that can support gradual transformation, integration and interoperability are likely to be well-positioned.

Buyers will increasingly prioritise achievable outcomes over ambitious transformation roadmaps.

If you are selling into this market, the ability to show a realistic implementation path may matter just as much as the technology itself.

5. Data quality and intelligence will become competitive differentiators

Financial institutions have access to vast amounts of data.

The challenge is not acquiring information.

The challenge is turning that information into actionable insight.

As margins remain under pressure and competition intensifies, organisations are placing greater emphasis on data quality, analytics and decision intelligence.

Better data enables better lending decisions, improved customer engagement, stronger fraud detection, more effective risk management and enhanced operational efficiency.

The second half of 2026 is likely to see continued investment in platforms that improve data accessibility, governance and usability.

This is an area where the conversation is becoming more mature.

Businesses do not just want more dashboards. They want trusted information that helps them make better decisions.

Market perspective

Providers focused on analytics, decision intelligence, customer insights and data management should remain well-positioned.

Institutions will increasingly value solutions that deliver trusted, actionable information rather than simply more data.

If you can help a financial institution understand its customers, risk, operations or performance more clearly, your proposition should remain relevant.

6. Embedded finance and Banking-as-a-Service will mature

Embedded finance remains one of the most significant long-term developments within financial services. However, the market is evolving.

Early excitement around rapid expansion is giving way to a more mature focus on profitability, scalability and regulatory compliance.

Organisations are becoming more selective about partnership models and more focused on sustainable commercial outcomes.

This does not mean embedded finance is slowing down.

It means the market is becoming more sophisticated.

Businesses deploying embedded financial services want partners that can provide robust infrastructure, regulatory confidence and reliable execution.

The opportunity is still there, but the bar is higher.

You need more than a good proposition. You need credibility, resilience and a model that can stand up to scrutiny.

Market perspective

The strongest opportunities are likely to sit with providers that combine technical capability with regulatory expertise and proven delivery experience.

In this part of the market, trust matters.

Buyers will want to know that the provider can deliver, scale and protect the end customer experience.

7. Procurement scrutiny will remain high

Technology budgets are still being allocated, but approval processes are becoming increasingly rigorous.

Boards, procurement teams and executive stakeholders want clear answers to fundamental questions.

What problem does this solve?

How quickly will value be realised?

What risks are involved?

How will success be measured?

What is the return on investment?

The days of selling vision alone are becoming less common. Buyers increasingly expect measurable outcomes and robust business cases.

Technology providers that can clearly articulate commercial value will have a significant advantage.

This is one of the biggest practical shifts in the market.

You may still have a buyer who likes your product. But liking the product is not enough. They may still need to justify it to procurement, finance, risk, compliance and the board.

Market perspective

Sales cycles may remain longer than many vendors would prefer, but organisations that demonstrate tangible business impact should continue to secure investment.

The vendors that make internal approval easier for buyers will put themselves in a stronger position.

8. Profitability will take precedence over growth at all costs

Across the FinTech sector, investor expectations continue to evolve.

Growth remains important, but there is increasing emphasis on sustainable revenue, operational efficiency, customer retention and profitability.

This shift is influencing strategic priorities across many technology businesses.

Leadership teams are focusing more closely on unit economics, product-market fit, customer lifetime value and operational leverage.

The strongest businesses are increasingly those that can balance innovation with financial discipline.

That is a very different market from the “growth at all costs” environment that shaped parts of the sector in previous years.

Today, investors and customers want evidence that a business can scale sensibly, retain customers and create lasting value.

Market perspective

Investors and customers alike are rewarding organisations that demonstrate resilience, clear differentiation and sustainable growth models.

If you are leading or hiring within a FinTech business, commercial discipline will continue to matter. The strongest teams will not just be the ones with ideas. They will be the ones that can execute, retain customers and build a profitable model.

9. Hiring will remain selective, but specialist talent will stay in demand

The hiring market across B2B FinTech and banking technology is likely to remain active during the second half of 2026, but it will be a market defined by precision rather than volume.

Many organisations have spent the last 18 months balancing growth ambitions with profitability targets. As a result, headcount decisions are being scrutinised more closely than they were during previous expansion cycles.

Businesses are still hiring, but they are increasingly focused on roles that directly support revenue generation, product delivery, regulatory compliance, operational efficiency and customer retention. The result is a more selective hiring environment.

Rather than building large teams, many firms are looking for individuals who can make an immediate impact. The emphasis is shifting towards quality, domain expertise and proven delivery experience.

Across FinTech providers, demand is likely to remain strongest for professionals who sit at the intersection of technology, financial services and commercial understanding.

Product Managers, Solutions Consultants, Regulatory Technology Specialists, Customer Success leaders, Data Engineers, AI specialists and experienced Sales professionals with deep financial services knowledge should continue to attract attention.

At the senior end of the market, leadership hiring is also becoming more targeted.

Boards and investors are increasingly looking for executives who can combine innovation with commercial discipline.

Leaders who understand growth, regulation, operational efficiency and profitability are likely to be particularly valuable.

Hiring perspective

For employers, the challenge remains finding individuals with both technical expertise and genuine financial services knowledge.

While candidate availability has improved in some areas, specialist talent remains highly competitive.

For candidates, the market is rewarding those who can clearly demonstrate business impact.

Employers are increasingly interested in outcomes rather than responsibilities.

If you are considering your next move, it will not be enough to list what you have been responsible for. You will need to show what changed because you were there.

Did you accelerate growth?

Did you improve customer experience?

Did you reduce risk?

Did you increase efficiency?

Did you help deliver a successful transformation project?

Those are the stories that will matter.

The second half of 2026 may not be characterised by aggressive hiring, but organisations will continue to compete strongly for individuals who possess the skills needed to drive strategic priorities forward.

Final thought

The FinTech and banking technology market in the second half of 2026 is unlikely to be driven by hype alone.

Instead, it is likely to reward organisations that solve genuine problems, deliver measurable outcomes and help financial institutions operate more efficiently, securely and profitably.

The strongest demand is likely to sit around AI-enabled solutions, regulatory technology, data intelligence, modernisation platforms, embedded finance infrastructure and operational efficiency tools.

For technology providers, the message is simple: focus on value, not noise.

For buyers, the message is equally clear: invest in technology that delivers outcomes, not just promises.

And for professionals in the market, the direction of travel is clear.

The people who can connect innovation with commercial impact will be the ones most likely to stand out. In a more disciplined market, execution wins.

Best wishes,

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